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December 19, 1997

Certified Mail -Return Receipt Requested

RECEIVED

Director, Universal Service Programs Universal Service Administrative Company 100 South Jefferson Road Whippany, New Jersey 07981

DEC 1 9 1997

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

Dear Director:

In response to the October 27, 1997 letter from the Universal Service Administrative Company ("USAC"), and pursuant to the requirements established by the Federal Communications Commission in its May 8, 1997 Report and Order in CC Docket No. 96-45 and the September 29, 1997 Public Notice, DA 97-1892, The Coalition of Small LECs and Cooperatives ("Coalition"), an informal group of rural telephone companies operating in Tennessee, by counsel, attaches a true and correct copy of the "Order Designating Eligible Telecommunications Carriers Pursuant to 47 U.S.C. § 214(e), the Telecommunications Act of 1996, Section 254(c) and FCC Order 97-157" ("ETC Order") issued by the Tennessee Regulatory Authority (the "Authority") in Docket No 97-00888 on December 17, 1997.

In the ETC Order, the Authority designated the following Coalition member companies as Eligible Telecommunications Carriers ("ETCs") within their individual incumbent Local Exchange Carrier ("LEC") service areas, with certain waivers as described therein. Each of the Coalition member companies have been designated as ETCs by the Authority and are as follows:

> Ardmore Telephone Company Ben Lomand Rural Telephone Cooperative Bledsoe Telephone Cooperative, Inc. Century Telephone of Adamsville, Inc. Century Telephone of Claiborne, Inc. Century Telephone of Ooltewah Collegdale, Inc. Concord Telephone Exchange, Inc. Crockett Telephone Company, Inc. DeKalb Telephone Cooperative, Inc. Highland Telephone Cooperative, Inc. Humphreys County Telephone Company Loretto Telephone Company, Inc. Millington Telephone Company

Director, Universal Service Programs Universal Service Administrative Company December 19, 1997 Page 2

North Central Telephone Cooperative, Inc.
Peoples Telephone Company, Inc.
Tellico Telephone Company, Inc.
Tennessee Telephone Company
Twin Lakes Telephone Cooperative Corp.
United Telephone Company
West Kentucky Rural Telephone Cooperative, Inc.
West Tennessee Telephone Company
Yorkville Telephone Cooperative

Since each of the Coalition member companies is an incumbent LEC, the requirements of 47 C.F.R. § 54.307(b) do not apply. The Coalition notes, however, that the Coalition member companies, as incumbent LECs, previously provided the working loops as of year-end 1996 as part of the requirements associated with the annual Universal Service Fund submission, or as part of the on-going average schedule administration process.

Should you have any questions or require additional information, please feel free to contact the undersigned at (202) 296-8890.

Sincerely,

Thomas J. Moorman

Of Counsel: T.G. Pappas BASS, BERRY & SIMS PLC 2700 First American Center Nashville, Tennessee 37238

Attachment

cc: Office of the Secretary (Hand Delivered)
CC Docket No. 96-45
Federal Communications Commission
Room 222
1919 M Street N.W.
Washington, D.C. 20554

Ms. Sheryl Todd (Hand Delivered)
Federal Communications Commission
Universal Service Branch
CC Docket No. 96-45
8th Floor
2100 M Street, N.W.
Washington, D.C. 20554

TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

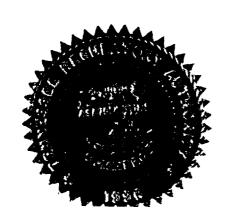
IN HE:	UNIVERSAL SERVICE GENERIC CONTESTED CASE			
	DOCKET	NO:	97-00888	
		<u> </u>	&	
County of Davids State of Tenness	j	SS.		

I, K. David Waddell, Executive Secretary of the Tennessee Regulatory Authority, do hereby certify that the attached is a full, true and correct copy of an Order designating Eligible Telecommunications Carriers pursuant to 47 U.S.C. § 214(e), The Telecommunications Act of 1996, Section 254(C) and FCC Order 97-157, entered on December 17, 1997, relative to the above-entitled matter, and as appears of record and on file in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of the Tennessee Regulatory Authority.

This 18th day of December 1997

K. David Waddell, Executive Secretary
TENNESSEE REGULATORY AUTHORITY



BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE December 17, 1997

IN RE: UNIVERSAL SERVICE	}	
GENERIC CONTESTED CASE)	DOCKET NO. 97-00888
)	
)	

ORDER DESIGNATING ELIGIBLE TELECOMMUNICATIONS CARRIERS PURSUANT TO 47 U.S.C. § 214(e), THE TELECOMMUNICATIONS ACT OF 1996, SECTION 254(C) AND FCC ORDER 97-157.

This matter came before the Tennessee Regulatory Authority ("Authority") upon its own motion at a regularly scheduled conference held on December 2, 1997, pursuant to 47 U.S.C. § 214(e), the Telecommunications Act of 1996 ("Telco Act") and Federal Communications Commission (FCC) Order 97-157. The purpose of this Order is to designate Eligible Telecommunications Carriers.

I. Background for the Order

Eligible Telecommunications Carriers ("ETCs"), certified under 47 U.S.C. § 214(e)(1), will be qualified to receive Federal Universal Service support under Section 254(c) of the Teleo Act if, throughout their designated service area, they offer services that are supported by a Federal Universal Service support mechanism under Section 254(c). To receive interstate support the carrier must use either its own facilities or a combination of its own facilities and the resale of another carrier's services (including the services offered by another Eligible Telecommunications Carrier). The carrier seeking to receive Universal Service support is also required to make available Lifeline Services and must advertise the availability of the services they provide and the charges for these services. The advertisement must be made through a media of general distribution.

Each common carrier seeking designation as an Eligible Telecommunications Carrier (ETC) under this Order has filed a sworn and notarized Request for Designation in this docket. This Request for Designation indicated that the carrier will provide the services and functions required by the FCC in their certificated areas for purposes of Federal Universal Support. Each request for Designation stated compliance with the requirements set forth in 47 CFR § 54.201 through 54.207 and was signed by a senior official of the carrier.

II. Interim Approval of Service Areas.

The Authority approves on an interim basis the service areas designated by the incumbent local exchange companies (ILECs) in their petitions. However, we are cognizant that the FCC has asked the states not to designate large service areas for ETCs, for fear that the service areas would not be competitively neutral. Testimony by interested Parties on the designation of service areas for ETCs was heard by the Authority during Phase 1 of the Authority's Universal Service proceeding (non-cost issues). Once the Authority reaches a decision on the designation of service areas for ETCs this information will be forwarded to the FCC and Universal Service Administrative Company (USAC) for the purpose of redefining the service areas of designated non-rural ETCs.

III. Carriers Eligible for Universal Service Support

The carriers listed in this section have requested designation by this Authority as Eligible Telecommunications Carriers (ETCs). The carriers are: Ardmore Telephone Company; BellSouth Telecommunications, Inc.; Century Telephone of Adamsville, Inc.; Century Telephone of Claiborne, Inc.; Century Telephone of Ooltewah Collegedale, Inc.; Citizens Telecommunications Company of Tennessee, LLC; Citizens Telecommunications Company of the Volunteer State, LLC; Concord Telephone Exchange, Inc.; Crockett Telephone Company; Humphreys County Telephone Company; Loretto Telephone Company; Millington Telephone Company; People's Telephone Company; Tellico Telephone Company; Tellico Telephone Company; Tennessee Telephone Company; United Telephone Company; United Telephone-Southeast, Inc.; West

Tennessee Telephone: Ben Lomand Rural Telephone Cooperative: Bledsoe Telephone Cooperative, Inc.; DeKalb Telephone Cooperative, Inc.; Highland Telephone Cooperative, Inc.; North Central Telephone Cooperative, Inc.; Skyline Telephone Membership Corporation; Twin Lakes Telephone Cooperative Corporation; Yorkville Telephone Cooperative; and West Kentucky Rural Telephone Cooperative, Inc.

IV. Petitions for Additional Time to Complete Network Upgrades.

In addition to the procedures for certifying potential recipients of Universal Service support as Eligible Telecommunications Carriers, the FCC made provisions for a telecommunications carrier that would be eligible to receive Universal Service support under 47 CFR § 54.201 to receive additional time to upgrade its network systems under exceptional circumstances by petitioning the Authority under FCC Rule § 54.101(9)(c). The ILECs have petitioned for an extension of time to upgrade their network systems to accommodate the toll limitation requirement of the FCC Order as defined in 47 CFR § 54.400(a)(3). The Petitioners stated the exceptional circumstances that the technology to provide the FCC requirement of toll limitation service was not readily available and that the FCC may reconsider this requirement. The Authority grants to the designated Eligible Telecommunications Carriers herein, an extension of time to upgrade their network systems to accommodate the toll limitation requirement of the FCC Order as defined in 47 CFR § 54.400(a)(3) until the FCC reconsiders the matter or until such time as technology to provide the service becomes readily available.*

IT IS THEREFORE ORDERED THAT:

- 1. On an interim basis, the Authority approves the service areas designated in the petitions from the incumbent local exchange companies.
- 2. The Authority grants to the designated eligible telecommunications carriers (ETCs) additional time as stated herein to provide toll limitation service.

This grant of additional time is only for that period of time that the Authority, in its continuing monitoring of technology, finds that execeptional circumstances exist, and does not extend beyond the time the Authority deems necessary for the ETCs to complete network upgrades.

- 3. The following carriers are designated by this Authority as Eligible Telecommunications Carriers: Ardmore Telephone Company; BellSouth Telecommunications, Inc.; Century Telephone of Adamsville, Inc.; Century Telephone of Claiborne, Inc.; Century Telephone of Ooltewah Collegedale, Inc.; Citizens Telecommunications Company of Tennessee, LLC; Citizens Telecommunications Company of the Volunteer State, LLC; Concord Telephone Exchange, Inc.; Crockett Telephone Company; Humphreys County Telephone Company; Loretto Telephone Company; Millington Telephone Company; People's Telephone Company; Tellico Telephone Company; Tennessee Telephone Company; United Telephone Company; United Telephone Cooperative, Inc.; West Tennessee Telephone; Ben Lomand Rural Telephone Cooperative; Bledsoe Telephone Cooperative, Inc.; DeKalb Telephone Cooperative, Inc.; Highland Telephone Cooperative, Inc.; North Central Telephone Cooperative, Inc.; Skyline Telephone Membership Corporation; Twin Lakes Telephone Cooperative Corporation; Yorkville Telephone Cooperative; and West Kentucky Rural Telephone Cooperative, Inc.
- 5. Any party aggrieved with the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from and after the date of this Order.
- 6. Any party aggricved with the Authority's decision in this matter has the right of judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from and after the date of this Order.

CHAIRMAT

IRECTOR

DIRECTOR

ATTEST:

EXECUTIVE SECRETARY